

**Senate Bill No. 40**

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Passed the Senate September 7, 2005

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*Secretary of the Senate*

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Passed the Assembly September 1, 2005

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add Sections 18701 and 18875 to the Health and Safety Code, relating to mobilehome parks.

## LEGISLATIVE COUNSEL'S DIGEST

SB 40, Dunn. Mobilehome parks.

The Mobilehome Parks Act requires the Department of Housing and Community Development or a city, county, or city and county that assumes responsibility for the enforcement of the act to enter and inspect mobilehome parks every 7 years to ensure enforcement of the act and implementing regulations. The Special Occupancy Parks Act requires the Department of Housing and Community Development to enforce the act and authorizes the officers or agents of the department or a city, county, or city and county that assumes responsibility for the enforcement of the act to enter and inspect all parks and inspect all accommodations, equipment, or paraphernalia used in connection therewith. Existing law requires an enforcement agency to issue a notice to correct a violation within 10 days of determining that a mobilehome park or special occupancy park is in violation of the act or implementing regulations or immediately if the violation constitutes an imminent threat to health and safety. Existing law requires violations that constitute an imminent threat to health and safety to be corrected within a reasonable time, as determined by the enforcement agency. The provisions of the Mobilehome Parks Act apply to a manufactured housing community.

This bill would authorize the enforcement agency to seek and the court to order the appointment of a receiver for a mobilehome park, a manufactured housing community, or a special occupancy park if the park is maintained in a manner that violates the Mobilehome Parks Act or related regulations, the violation or violations are so extensive and of a nature that the health and safety of the homeowners, residents, or the public is substantially endangered, and the park owner or operator fails to comply within a reasonable time with the terms of an order or notice. The bill would specify the receiver's powers and duties in this regard, including providing relocation benefits if the conditions of the

park or the repair or rehabilitation of the park significantly affect the safe and sanitary use of the park by any homeowner or resident, to the extent that the homeowner or resident cannot safely reside on his or her lot.

The bill would authorize the court, if the conditions of a park are found to substantially endanger the health and safety of residents, to order the owner to pay all reasonable and actual costs of the enforcement agency including inspection costs, investigation costs, enforcement costs, attorney fees or costs, and all costs of prosecution and to provide or pay relocation benefits, except under prescribed circumstances, to each lawful homeowner or resident if the owner undertakes repairs or rehabilitation and the conditions of the premises or their repair or rehabilitation significantly affect the safe and sanitary use of the premises so that the homeowner or resident cannot safely reside in the premises.

The bill would authorize a court, upon a motion by the enforcement agency, to issue an order that would result in correction of defects, rather than closure of the park or suspension of its permit to operate.

The bill would authorize an enforcement agency that properly declares a park or unit a nuisance and confirms that declaration to be deemed to have acquired jurisdiction to abate the nuisance by repairing or causing to have repairs made to the property, by razing, removing, repairing, or replacing the condition creating the violation or in any other way causing the nuisance to be abated.

*The people of the State of California do enact as follows:*

SECTION 1. Section 18701 is added to the Health and Safety Code, to read:

18701. (a) (1) This section shall apply if all of the following conditions are met, as established in writing by the enforcement agency:

(A) The park is maintained in a manner that violates any of the provisions of this part or any regulation adopted pursuant to this part.

(B) The violations are so extensive and of a nature that the health and safety of the homeowners, residents, or the public are substantially endangered.

(C) The park owner or operator fails to comply within a reasonable time with the terms of an order or notice issued pursuant to this part.

(2) The enforcement agency shall issue and serve upon the park owner or operator a written notice setting forth the provisions of this part that have been violated and shall notify the park owner or operator that, unless the violations are corrected within 30 days, an action authorized by this section may be filed thereafter with a court. The notice shall be provided by posting a copy of the notice in a conspicuous place on the property and mailing a copy of the notice, by first-class mail, to the address of the park owner or operator. The notice shall include, but not be limited to, the name, address, and telephone number of the agency that issued the notice.

(3) For purposes of this section, the term “park owner or operator” means the owner or operator of a mobilehome park, as defined in Section 18214, including any public entity that owns residential real property, at the time of the initial notice or order and any successor in interest who had actual or constructive knowledge of the notice, order, or prosecution.

(b) The enforcement agency may seek and the court may order imposition of the penalties provided for under this part.

(c) Notwithstanding any other provision of law, upon a motion by the enforcement agency, a court may issue an order that would result in correction of defects, rather than closure of the park or suspension of its permit to operate. The order may provide that fines and penalties be paid for improvements or that a lien be levied against the property to pay the cost of an independent receiver to complete repairs or any other just and reasonable procedures.

(d) (1) The enforcement agency may seek, and the court may order, the appointment of a receiver for the park pursuant to this section if all of the conditions in paragraph (1) of subdivision (a) are met.

(2) For purposes of the establishment of a receivership under this section, a violation or violations shall not include a homeowner violation.

(3) In its petition to the court, the enforcement agency shall include proof that notice of the petition was served not less than three days prior to filing the petition, pursuant to Article 3 (commencing with Section 415.10) of Chapter 4 of Title 5 of Part 2 of the Code of Civil Procedure, to all persons with a recorded interest in the real property upon which the park exists.

(e) (1) In appointing a receiver, the court shall consider whether the park owner or operator was afforded a reasonable opportunity to correct the conditions cited in the notice of violation.

(2) The court shall not appoint a person as a receiver unless the person demonstrates to the court his or her capacity and expertise to develop and supervise a viable financial and construction plan for the satisfactory repair or rehabilitation of the park. A court may appoint as a receiver a property management company, a park management company, a nonprofit organization, or community development corporation. The court shall not appoint the Department of Housing and Community Development, or an agency or representative of the department, as a receiver. In addition to the duties and powers that may be granted pursuant to this section, a nonprofit organization or community development corporation that is appointed as a receiver may also apply for public loans or grants to assist in the repair or rehabilitation of the park.

(3) If a receiver is appointed, the court shall enjoin the park owner or operator and his or her agent from collecting rents from the homeowners and residents, interfering with the receiver in the operation of the park, and encumbering or transferring the park or real property upon which the park is situated.

(4) A receiver appointed pursuant to this section shall have all of the following powers and duties in the order of priority listed in this paragraph, unless the court otherwise permits:

(A) To take full and complete control of the park.

(B) To manage the park and pay expenses of the operation of the park and real property upon which the park is located, including taxes, insurance, utilities, master meter utility costs, general maintenance, and debt secured by an interest in the real property.

(C) To secure a cost estimate and construction plan from a licensed contractor for the repairs necessary to correct the conditions cited in the notice of violation.

(D) To enter into contracts and employ a licensed contractor as necessary to correct the conditions cited in the notice of violation.

(E) To collect all rents and income from the park. If the rent is not due because of suspension of the permit to operate pursuant to Section 18510, the receiver may request a court order to conditionally reinstate that permit upon the court's approval of a plan for correcting the outstanding violations and the plan for financing those corrections.

(F) To use all rents and income from the park to pay for the cost of rehabilitation and repairs determined by the court as necessary to correct the conditions cited in the notice of violation.

(G) To borrow funds to pay for repairs necessary to correct the conditions cited in the notice of violation and to borrow funds to pay for any relocation benefits authorized by paragraph (6) and, with court approval, secure that debt and any moneys owed to the receiver for services performed pursuant to this section with a lien on the real property upon which the park is located. The lien shall be recorded in the county recorder's office in the county within which the park is located.

(H) To exercise the powers granted to receivers under Section 568 of the Code of Civil Procedure.

(5) The receiver shall be entitled to the same fees, commissions, and necessary expenses as receivers in actions to foreclose mortgages. These expenses may include all reasonable and necessary expenses of the receiver, including, but not limited to, professional liability or errors and omissions insurance.

(6) If the conditions of the park or the repair or rehabilitation thereof significantly affect the safe and sanitary use of the park by any homeowner or resident, to the extent that the homeowner or resident cannot safely reside on his or her lot, the receiver shall provide relocation benefits in accordance with subparagraph (A) of paragraph (3) of subdivision (f).

(7) The relocation compensation provided for in this section shall not preempt any local ordinance that provides for greater relocation assistance.

(8) In addition to any reporting required by the court, the receiver shall prepare monthly reports to the state or local enforcement agency that shall contain information on at least the following items:

(A) The total amount of rent payments received.

(B) Nature and amount of contracts negotiated relative to the operation or repair of the property.

(C) Payments made toward the repair of the park.

(D) Progress of necessary repairs.

(E) Other payments made relative to the operation of the park.

(F) Amount of homeowner or resident relocation benefits paid.

(9) Upon the appointment of a receiver by the court, that shall include the posting of a bond by the receiver, pursuant to subdivision (b) of Section 567 of the Code of Civil Procedure, a copy of the order making the appointment, authenticated by a certificate of the clerk of the court and particularly describing the property that is subject to the receivership, shall be recorded in each county in which any portion of the land is located. If the court determines that the receiver will be acting under the general direction of the enforcement agency, the receiver may be deemed a public officer pursuant to Section 995.220 of the Code of Civil Procedure.

(10) The receiver shall be discharged when the conditions cited in the notice of violation are remedied in accordance with the court order or judgment and a complete accounting of all costs and repairs is delivered to the court. Upon removal of the condition, the owner, the mortgagee, or any lienor of record may apply for the discharge of all moneys not used by the receiver for removal of the condition and all other costs authorized by this section.

(11) After discharging the receiver, the court may retain jurisdiction for a time period not to exceed 18 consecutive months and require the owner and the enforcement agency responsible for enforcing this part to report to the court in accordance with a schedule determined by the court.

(12) The prevailing party in an action pursuant to this section shall be entitled to reasonable attorney's fees and court costs as may be fixed by the court.

(13) The county recorder may charge and collect fees for the recording of all notices and other documents required by this

section pursuant to Article 5 (commencing with Section 27360) of Chapter 6 of Division 2 of Title 3 of the Government Code.

(14) This section does not limit those rights available to homeowners, residents, and park owners or operators under any other provision of law.

(15) This section does not deprive an owner or operator of a park of all procedural due process rights guaranteed by the California Constitution and the United States Constitution, including, but not limited to, receipt of notice of the violation claimed and an adequate and reasonable period of time to comply with any orders which are issued by the enforcement agency or the court.

(f) If the court finds that a park is in a condition that substantially endangers the health and safety of residents, upon the entry of any order or judgment, the court may do all of the following:

(1) Order the owner to pay all reasonable and actual costs of the enforcement agency including, but not limited to, inspection costs, investigation costs, enforcement costs, attorney fees or costs, and all costs of prosecution.

(2) Order the enforcement agency to provide notice of the court order or judgment to the homeowners and residents.

(3) (A) Order the owner to provide or pay relocation benefits to each lawful homeowner or resident if the owner undertakes repairs or rehabilitation as a result of being cited for a notice under this part and if the conditions of the premises or the repair or rehabilitation thereof significantly affect the safe and sanitary use of the premises by any lawful homeowner or resident, so that the homeowner or resident cannot safely reside in the premises. These benefits shall consist of actual reasonable moving and storage costs and relocation compensation for temporary or permanent relocation. The actual moving and storage costs shall consist of all of the following:

(i) Transportation of the homeowner's or resident's personal property to the new location. The new location shall be in close proximity to the park, except where relocation to a new location beyond a close proximity is determined by the court to be justified.

(ii) Packing, crating, unpacking, and uncrating the homeowner's or resident's personal property.



(iii) Insurance of the homeowner's or resident's property while in transit.

(iv) The reasonable replacement value of property lost, stolen, or damaged, not through the fault or negligence of the displaced person, his or her agent, or employee, in the process of moving, where insurance covering the loss, theft, or damage is not reasonably available.

(v) The cost of disconnecting, dismantling, removing, reassembling, reconnecting, and reinstalling machinery, equipment, or other personal property of the homeowner or resident, including connection charges imposed by utility companies for starting utility service.

(B) For the purposes of this subdivision, "personal property" shall include, but not be limited to, a manufactured home or other residential structure in the park. The movement or relocation of a manufactured home or mobilehome from the park shall not be included in relocation costs unless the court specifically finds that the park cannot be repaired or rehabilitated and the park must cease to operate and be closed due to health and safety violations, in which case Section 65863.7 of the Government Code shall apply.

(C) Except for purposes of subparagraph (B), the relocation compensation shall be an amount equal to the differential between the contract rent for the space or unit, whichever is applicable, and the fair market rental value of a replacement dwelling, determined by the federal Department of Housing and Urban Development for a unit of comparable size within the area for the period that a unit owned by the park owner or operator or the park is being repaired, not to exceed 120 days.

(D) If the court finds that a homeowner or resident is substantially responsible for causing or substantially contributing to the substandard conditions, the relocation benefits of this section shall not be paid to this homeowner or resident. Each other homeowner or resident on the premises who is ordered to relocate due to the substandard conditions and who is not substantially responsible for causing or contributing to the conditions shall be paid these benefits and moving costs at the time that he or she actually relocates.

(4) Determine the date when the homeowner or resident is to relocate, and order the homeowner or resident to notify the

enforcement agency and the owner of the address of the premises to which he or she has relocated within five days after the relocation.

(5) Order that the owner shall offer the first right to occupancy of the premises to each homeowner or resident who received benefits pursuant to subparagraph (A) of paragraph (3), before letting the unit or space for rent to a third party. The owner's offer on the first right to occupancy to the former homeowner or resident shall be in writing and sent by first-class certified mail to the address given by the homeowner or resident at the time of relocation. If the homeowner or resident does not provide the owner the homeowner's or resident's address as prescribed by this section, the owner shall not be required to provide notice under this section or offer the homeowner or resident the right to return to occupancy. If the homeowner or resident accepts the offer to occupy the premises, he or she shall notify the owner in writing that he or she will occupy the unit or space. The notice shall be sent by first-class certified mail no later than 10 days after the notice is mailed by the owner. During the period of any displacement or relocation, the homeowner's or resident's leasehold is deemed to be continuous until and unless the homeowner or resident does not return to the park.

(6) Order that failure to comply with any abatement order under this chapter shall be punishable by civil contempt and any other penalties and fines as are available.

(g) (1) The enforcement agency may seek and the court may order the park owner or operator to not claim any deduction with respect to state taxes for interest, taxes, expenses, depreciation, or amortization paid or incurred with respect to the cited park, in the taxable year of the initial order or notice, in lieu of the enforcement agency processing a violation in accordance with Sections 17274 and 24436.5 of the Revenue and Taxation Code.

(2) If the owner fails to comply with the terms of the order or notice to correct the condition that caused the violation, the court may order the owner to not claim these tax benefits for the following year.

(h) (1) The sale or other transfer of property to a third party shall not render moot an administrative or judicial action or proceeding instituted pursuant to this article by an enforcement agency, a homeowner, resident, or organization representing the

homeowner or resident, or a receiver on behalf of an enforcement agency, against the owner of record on the date a citation for, or other notice of, a violation of this part was issued.

(2) Any person who obtains an ownership interest in any property after a notice of pendency of an action or proceeding or any other notice of a violation of this part was recorded with the county recorder of the county in which the property is located, and where there has been no withdrawal or expungement of the notice, shall be subject to any order to correct a violation, including time limitations, specified in a notice of violation or any other notice of a violation of this part that was recorded with the county recorder of the county in which the property is located.

(i) (1) An enforcement agency that properly declares a park or unit a nuisance and, using the notice requirements and procedures applicable to the park in Title 25 of the California Code of Regulations, confirms the declaration by resolution of its governing board if a local government is the enforcement agency or certification by the director if the department is the enforcement agency, shall be deemed to have acquired jurisdiction to abate the nuisance by repairing or causing to have repairs made to the property, by razing, removing, repairing, or replacing the condition creating the violation or in any other way causing the nuisance to be abated.

(2) (A) The enforcement agency shall keep an itemized account of all of the expenses involved in abating the nuisance. The enforcement agency shall cause an expense statement to be posted conspicuously on the property where the nuisance was abated, repairs or replacements were made, or the condition was razed or removed.

(B) The expense statement shall be verified by the officer of the enforcement agency in charge of doing the work.

(C) The expense statement shall show the reasonable gross and net expense of the abatement actions taken by the agency, including all of the following if applicable:

- (i) The expense of inspections, repairs, or replacement.
- (ii) The cost of the razing or removing of the condition.
- (iii) Any other costs of abatement.

(D) The expense statement shall include a notice of the time and place that the statement shall be submitted for approval and

confirmation to the governing board of the enforcement agency if the enforcement agency is a local government, or to the director of the department if the enforcement agency is the department.

(E) The expense statement shall be sent by certified mail to each owner and other interested party.

(3) At the meeting noticed pursuant to paragraph (1), the governing board or director, as applicable, shall consider any objections or protests, if any, that may be raised by the property owner liable to be assessed for the cost of the work or by any other interested persons. If the governing board or director, as applicable, approves and confirms the statement of costs of abatement, those costs shall be the obligation of each owner of the property to pay to the public entity that has incurred them.

(j) The remedies available pursuant to this section are in addition to those provided by any other law.

SEC. 2. Section 18875 is added to the Health and Safety Code, to read:

18875. (a) (1) This section shall apply if all of the following conditions are met, as established in writing by the enforcement agency:

(A) The park is maintained in a manner that violates any of the provisions of this part or any regulation adopted pursuant to this part.

(B) The violations are so extensive and of a nature that the health and safety of the homeowners, residents, or the public are substantially endangered.

(C) The park owner or operator fails to comply within a reasonable time with the terms of an order or notice issued pursuant to this part.

(2) The enforcement agency shall issue and serve upon the park owner or operator a written notice setting forth the provisions of this part that have been violated and shall notify the park owner or operator that, unless the violations are corrected within 30 days, an action authorized by this section may be filed thereafter with a court. The notice shall be provided by posting a copy of the notice in a conspicuous place on the property and mailing a copy of the notice, by first-class mail, to the address of the park owner or operator. The notice shall include, but not be limited to, the name, address, and telephone number of the agency that issued the notice.

(3) For purposes of this section, the term “park owner or operator” means the owner or operator of a special occupancy park, as defined in Section 18862.43, including any public entity that owns residential real property, at the time of the initial notice or order and any successor in interest who had actual or constructive knowledge of the notice, order, or prosecution.

(b) The enforcement agency may seek and the court may order imposition of the penalties provided for under this part.

(c) Notwithstanding any other provision of law, upon a motion by the enforcement agency, a court may issue an order that would result in correction of defects, rather than closure of the park or suspension of its permit to operate. The order may provide that fines and penalties be paid for improvements or that a lien be levied against the property to pay the cost of an independent receiver to complete repairs or any other just and reasonable procedures.

(d) (1) The enforcement agency may seek, and the court may order, the appointment of a receiver for the park pursuant to this section if all of the conditions in paragraph (1) of subdivision (a) are met.

(2) For purposes of the establishment of a receivership under this section, a violation or violations shall not include a homeowner violation.

(3) In its petition to the court, the enforcement agency shall include proof that notice of the petition was served not less than three days prior to filing the petition, pursuant to Article 3 (commencing with Section 415.10) of Chapter 4 of Title 5 of Part 2 of the Code of Civil Procedure, to all persons with a recorded interest in the real property upon which the park exists.

(e) (1) In appointing a receiver, the court shall consider whether the park owner or operator was afforded a reasonable opportunity to correct the conditions cited in the notice of violation.

(2) The court shall not appoint a person as a receiver unless the person demonstrates to the court his or her capacity and expertise to develop and supervise a viable financial and construction plan for the satisfactory repair or rehabilitation of the park. A court may appoint as a receiver a property management company, a park management company, a nonprofit organization, or community development corporation. The court

shall not appoint the Department of Housing and Community Development, or an agency or representative of the department, as a receiver. In addition to the duties and powers that may be granted pursuant to this section, a nonprofit organization or community development corporation that is appointed as a receiver may also apply for public loans or grants to assist in the repair or rehabilitation of the park.

(3) If a receiver is appointed, the court shall enjoin the park owner or operator and his or her agent from collecting rents from the homeowners and residents, interfering with the receiver in the operation of the park, and encumbering or transferring the park or real property upon which the park is situated.

(4) A receiver appointed pursuant to this section shall have all of the following powers and duties in the order of priority listed in this paragraph, unless the court otherwise permits:

(A) To take full and complete control of the park.

(B) To manage the park and pay expenses of the operation of the park and real property upon which the park is located, including taxes, insurance, utilities, master meter utility costs, general maintenance, and debt secured by an interest in the real property.

(C) To secure a cost estimate and construction plan from a licensed contractor for the repairs necessary to correct the conditions cited in the notice of violation.

(D) To enter into contracts and employ a licensed contractor as necessary to correct the conditions cited in the notice of violation.

(E) To collect all rents and income from the park. If the rent is not due because of suspension of the permit to operate pursuant to Section 18510, the receiver may request a court order to conditionally reinstate that permit upon the court's approval of a plan for correcting the outstanding violations and the plan for financing those corrections.

(F) To use all rents and income from the park to pay for the cost of rehabilitation and repairs determined by the court as necessary to correct the conditions cited in the notice of violation.

(G) To borrow funds to pay for repairs necessary to correct the conditions cited in the notice of violation and to borrow funds to pay for any relocation benefits authorized by paragraph (6) and,

with court approval, secure that debt and any moneys owed to the receiver for services performed pursuant to this section with a lien on the real property upon which the park is located. The lien shall be recorded in the county recorder's office in the county within which the park is located.

(H) To exercise the powers granted to receivers under Section 568 of the Code of Civil Procedure.

(5) The receiver shall be entitled to the same fees, commissions, and necessary expenses as receivers in actions to foreclose mortgages. These expenses may include all reasonable and necessary expenses of the receiver, including, but not limited to, professional liability or errors and omissions insurance.

(6) If the conditions of the park or the repair or rehabilitation thereof significantly affect the safe and sanitary use of the park by any homeowner or resident, to the extent that the homeowner or resident cannot safely reside on his or her lot, the receiver shall provide relocation benefits in accordance with subparagraph (A) of paragraph (3) of subdivision (f).

(7) The relocation compensation provided for in this section shall not preempt any local ordinance that provides for greater relocation assistance.

(8) In addition to any reporting required by the court, the receiver shall prepare monthly reports to the state or local enforcement agency that shall contain information on at least the following items:

(A) The total amount of rent payments received.

(B) Nature and amount of contracts negotiated relative to the operation or repair of the property.

(C) Payments made toward the repair of the park.

(D) Progress of necessary repairs.

(E) Other payments made relative to the operation of the park.

(F) Amount of homeowner or resident relocation benefits paid.

(9) Upon the appointment of a receiver by the court, that shall include the posting of a bond by the receiver, pursuant to subdivision (b) of Section 567 of the Code of Civil Procedure, a copy of the order making the appointment, authenticated by a certificate of the clerk of the court and particularly describing the property that is subject to the receivership, shall be recorded in each county in which any portion of the land is located. If the court determines that the receiver will be acting under the general

direction of the enforcement agency, the receiver may be deemed a public officer pursuant to Section 995.220 of the Code of Civil Procedure.

(10) The receiver shall be discharged when the conditions cited in the notice of violation are remedied in accordance with the court order or judgment and a complete accounting of all costs and repairs is delivered to the court. Upon removal of the condition, the owner, the mortgagee, or any lienor of record may apply for the discharge of all moneys not used by the receiver for removal of the condition and all other costs authorized by this section.

(11) After discharging the receiver, the court may retain jurisdiction for a time period not to exceed 18 consecutive months and require the owner and the enforcement agency responsible for enforcing this part to report to the court in accordance with a schedule determined by the court.

(12) The prevailing party in an action pursuant to this section shall be entitled to reasonable attorney's fees and court costs as may be fixed by the court.

(13) The county recorder may charge and collect fees for the recording of all notices and other documents required by this section pursuant to Article 5 (commencing with Section 27360) of Chapter 6 of Division 2 of Title 3 of the Government Code.

(14) This section does not limit those rights available to homeowners, residents, and park owners or operators under any other provision of law.

(15) This section does not deprive an owner or operator of a park of all procedural due process rights guaranteed by the California Constitution and the United States Constitution, including, but not limited to, receipt of notice of the violation claimed and an adequate and reasonable period of time to comply with any orders which are issued by the enforcement agency or the court.

(f) If the court finds that a park is in a condition that substantially endangers the health and safety of residents, upon the entry of any order or judgment, the court may do all of the following:

(1) Order the owner to pay all reasonable and actual costs of the enforcement agency including, but not limited to, inspection



costs, investigation costs, enforcement costs, attorney fees or costs, and all costs of prosecution.

(2) Order the enforcement agency to provide notice of the court order or judgment to the homeowners and residents.

(3) (A) Order the owner to provide or pay relocation benefits to each lawful homeowner or resident if the owner undertakes repairs or rehabilitation as a result of being cited for a notice under this part and if the conditions of the premises or the repair or rehabilitation thereof significantly affect the safe and sanitary use of the premises by any lawful homeowner or resident, so that the homeowner or resident cannot safely reside in the premises. These benefits shall consist of actual reasonable moving and storage costs and relocation compensation for temporary or permanent relocation. The actual moving and storage costs shall consist of all of the following:

(i) Transportation of the homeowner's or resident's personal property to the new location. The new location shall be in close proximity to the park, except where relocation to a new location beyond a close proximity is determined by the court to be justified.

(ii) Packing, crating, unpacking, and uncrating the homeowner's or resident's personal property.

(iii) Insurance of the homeowner's or resident's property while in transit.

(iv) The reasonable replacement value of property lost, stolen, or damaged, not through the fault or negligence of the displaced person, his or her agent, or employee, in the process of moving, where insurance covering the loss, theft, or damage is not reasonably available.

(v) The cost of disconnecting, dismantling, removing, reassembling, reconnecting, and reinstalling machinery, equipment, or other personal property of the homeowner or resident, including connection charges imposed by utility companies for starting utility service.

(B) For the purposes of this subdivision, "personal property" shall include, but not be limited to, a residential structure in the park. The movement or relocation of a mobilehome from the park shall not be included in relocation costs unless the court specifically finds that the park cannot be repaired or rehabilitated and the park must cease to operate and be closed due to health

and safety violations, in which case Section 65863.7 of the Government Code shall apply.

(C) Except for purposes of subparagraph (B), the relocation compensation shall be an amount equal to the differential between the contract rent for the space or unit, whichever is applicable, and the fair market rental value of a replacement dwelling, determined by the federal Department of Housing and Urban Development for a unit of comparable size within the area for the period that a unit owned by the park owner or operator or the park is being repaired, not to exceed 120 days.

(D) If the court finds that a homeowner or resident is substantially responsible for causing or substantially contributing to the substandard conditions, the relocation benefits of this section shall not be paid to this homeowner or resident. Each other homeowner or resident on the premises who is ordered to relocate due to the substandard conditions and who is not substantially responsible for causing or contributing to the conditions shall be paid these benefits and moving costs at the time that he or she actually relocates.

(4) Determine the date when the homeowner or resident is to relocate, and order the homeowner or resident to notify the enforcement agency and the owner of the address of the premises to which he or she has relocated within five days after the relocation.

(5) Order that the owner shall offer the first right to occupancy of the premises to each homeowner or resident who received benefits pursuant to subparagraph (A) of paragraph (3), before letting the unit or space for rent to a third party. The owner's offer on the first right to occupancy to the former homeowner or resident shall be in writing and sent by first-class certified mail to the address given by the homeowner or resident at the time of relocation. If the homeowner or resident does not provide the owner the homeowner's or resident's address as prescribed by this section, the owner shall not be required to provide notice under this section or offer the homeowner or resident the right to return to occupancy. If the homeowner or resident accepts the offer to occupy the premises, he or she shall notify the owner in writing that he or she will occupy the unit or space. The notice shall be sent by first-class certified mail no later than 10 days after the notice is mailed by the owner. During the period of any

displacement or relocation, the homeowner's or resident's leasehold is deemed to be continuous until and unless the homeowner or resident does not return to the park.

(6) Order that failure to comply with any abatement order under this chapter shall be punishable by civil contempt and any other penalties and fines as are available.

(g) (1) The enforcement agency may seek and the court may order the park owner or operator to not claim any deduction with respect to state taxes for interest, taxes, expenses, depreciation, or amortization paid or incurred with respect to the cited park, in the taxable year of the initial order or notice, in lieu of the enforcement agency processing a violation in accordance with Sections 17274 and 24436.5 of the Revenue and Taxation Code.

(2) If the owner fails to comply with the terms of the order or notice to correct the condition that caused the violation, the court may order the owner to not claim these tax benefits for the following year.

(h) (1) The sale or other transfer of property to a third party shall not render moot an administrative or judicial action or proceeding instituted pursuant to this article by an enforcement agency, a homeowner, resident, or organization representing the homeowner or resident, or a receiver on behalf of an enforcement agency, against the owner of record on the date a citation for, or other notice of, a violation of this part was issued.

(2) Any person who obtains an ownership interest in any property after a notice of pendency of an action or proceeding or any other notice of a violation of this part was recorded with the county recorder of the county in which the property is located, and where there has been no withdrawal or expungement of the notice, shall be subject to any order to correct a violation, including time limitations, specified in a notice of violation or any other notice of a violation of this part that was recorded with the county recorder of the county in which the property is located.

(i) (1) An enforcement agency that properly declares a park or unit a nuisance and, using the notice requirements and procedures applicable to the park in Title 25 of the California Code of Regulations, confirms the declaration by resolution of its governing board if a local government is the enforcement agency or certification by the director if the department is the

enforcement agency, shall be deemed to have acquired jurisdiction to abate the nuisance by repairing or causing to have repairs made to the property, by razing, removing, repairing, or replacing the condition creating the violation or in any other way causing the nuisance to be abated.

(2) (A) The enforcement agency shall keep an itemized account of all of the expenses involved in abating the nuisance. The enforcement agency shall cause an expense statement to be posted conspicuously on the property where the nuisance was abated, repairs or replacements were made, or the condition was razed or removed.

(B) The expense statement shall be verified by the officer of the enforcement agency in charge of doing the work.

(C) The expense statement shall show the reasonable gross and net expense of the abatement actions taken by the agency, including all of the following if applicable:

- (i) The expense of inspections, repairs, or replacement.
- (ii) The cost of the razing or removing of the condition.
- (iii) Any other costs of abatement.

(D) The expense statement shall include a notice of the time and place that the statement shall be submitted for approval and confirmation to the governing board of the enforcement agency if the enforcement agency is a local government, or to the director of the department if the enforcement agency is the department.

(E) The expense statement shall be sent by certified mail to each owner and other interested party.

(3) At the meeting noticed pursuant to paragraph (1), the governing board or director, as applicable, shall consider any objections or protests, if any, that may be raised by the property owner liable to be assessed for the cost of the work or by any other interested persons. If the governing board or director, as applicable, approves and confirms the statement of costs of abatement, those costs shall be the obligation of each owner of the property to pay to the public entity that has incurred them.

(j) The remedies available pursuant to this section are in addition to those provided by any other law.

























Approved \_\_\_\_\_, 2005

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*Governor*